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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 11-K

**ANNUAL REPORT PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

X Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended: **December 31, 2001**

Or

Transition report pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to

Commission File No. 0-19368

PROCESSED

JUL 03 2002

**THOMSON
FINANCIAL**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**COMMUNITY FIRST BANKSHARES, INC.
401(k) RETIREMENT PLAN**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Community First Bankshares, Inc.
520 Main Avenue
Fargo, North Dakota 58124-0001

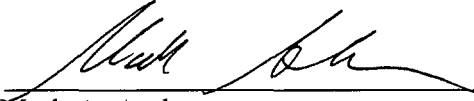
This Form 11-K consists of 18 pages (including exhibits). The index to the exhibits is set forth on page 3 of the Form.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 27, 2002

COMMUNITY FIRST BANKSHARES, INC.
401(k) RETIREMENT PLAN

By 

Mark A. Anderson
Member of the Administrative Committee

Index to Exhibits

<u>Exhibit No.</u>	<u>Description</u>	<u>Tab No.</u>
(23.1)	Consent of Ernst & Young LLP	A
(99)	Audited Financial Statements and Schedules of the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust for the Years Ended December 31, 2001 and 2000	B

A

Consent of Independent Auditors

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-52071) pertaining to the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust of our report dated June 24, 2002, with respect to the financial statements and schedule of the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust included in this Annual Report (Form 11-K) for the year ended December 31, 2001.

Minneapolis, Minnesota
June 24, 2002

Ernst & Young LLP

B

AUDITED FINANCIAL STATEMENTS AND SCHEDULE

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust
Years Ended December 31, 2001 and 2000

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Audited Financial Statements and Schedule

Years Ended December 31, 2001 and 2000

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Report of Independent Auditors

The Administrative Committee
Community First Bankshares, Inc.
401(k) Retirement Plan and Trust
Fargo, North Dakota

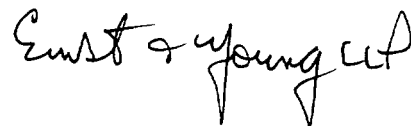
We have audited the accompanying statements of net assets available for benefits of the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust (the Plan) as of December 31, 2001 and 2000, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2001 and 2000, and the changes in its net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2001 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

June 24, 2002

A handwritten signature in black ink that reads 'Ernst & Young LLP' in a cursive, stylized script.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Statements of Net Assets Available for Benefits

	December 31	
	2001	2000
Assets		
Cash	\$ 232,563	\$ 223,061
Investments at fair value	79,334,630	64,024,944
Receivables:		
Employer contribution receivable	2,446,738	1,632,637
Investment income receivable	38,796	416,304
Settlements receivable	—	25,228
	<u>2,485,534</u>	<u>2,074,169</u>
Liabilities		
Settlements payable	10,545	182,391
Net assets available for benefits	<u>\$82,042,182</u>	<u>\$66,139,783</u>

See accompanying notes.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2001	2000
Additions:		
Investment income:		
Net appreciation (depreciation) in fair value of investments	\$ 4,971,825	\$ (3,028,778)
Investment income	1,876,456	2,011,136
Loan income	123,038	110,457
	<u>6,971,319</u>	<u>(907,185)</u>
Contributions:		
Participants	5,915,965	5,661,690
Employer	2,446,738	1,632,637
	<u>8,362,703</u>	<u>7,294,327</u>
Total additions	15,334,022	6,387,142
Deductions:		
Benefits paid to participants	<u>7,354,747</u>	<u>8,767,861</u>
Total deductions	7,354,747	8,767,861
Transfer of assets due to plan merger	<u>7,923,124</u>	<u>3,960,705</u>
Net increase	15,902,399	1,579,986
Net assets available for benefits:		
Beginning of year	<u>66,139,783</u>	<u>64,559,797</u>
End of year	<u>\$82,042,182</u>	<u>\$66,139,783</u>

See accompanying notes.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements

December 31, 2001

1. Description of Plan

The following description of the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust (the Plan) provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Community First Bankshares, Inc. (the Company) who are scheduled to work at least 1,000 hours during 12 consecutive months and are age 21 or older. Employees may enroll January 1 or July 1. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Each year, participants may contribute up to 18% of pretax annual compensation, subject to IRS limitations, as defined in the Plan. The Company makes a matching contribution of 100% of the first 3% of base compensation and 50% of additional amounts up to 6% of base compensation that a participant contributes to the Plan. In 2000, the match was 50% of the first 6% of base compensation. Additional amounts may be contributed at the discretion of the Company's Board of Directors. No discretionary contribution was made for the plan years ended December 31, 2001 and 2000.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) plan earnings. Allocations of the Company's discretionary contribution, if any, are based on the proportionate share of each participant's compensation for the plan year to the total compensation of all participants for such plan year. Forfeited balances of terminated participants' nonvested accounts are allocated among participants in the same manner as the Company's discretionary contribution. Forfeitures allocated were \$-0- and \$7,015 for the plan years ended December 31, 2001 and 2000, respectively.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Vesting

Participants are immediately vested in their contributions and the Company's matching contribution plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service as follows: less than one year – 0%; one year but less than two years – 10%; two years but less than three years – 20%; three years but less than four years – 40%; four years but less than five years – 60%; five years but less than six years – 80%; six or more years – 100%.

Investment Options

Upon enrollment in the Plan, a participant may direct employer and employee contributions in any of eight investment options.

Max Cap Fund – Mutual fund which invests in common stocks.

Money Market Fund – Mutual fund which invests in money market instruments.

Community First Bankshares, Inc. (CFB) Stock Fund – Fund which invests in shares of Community First Bankshares, Inc. common stock and short-term investments pending the purchase of Community First Bankshares, Inc. common stock.

Aggressive Growth Fund – Fund which invests in U.S. common stocks of small, medium, and large companies.

Capital Appreciation Fund – Fund which invests in mid- to large-cap equity securities.

Total Return Bond Fund – Fund which invests in investment-grade securities.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

1. Description of Plan (continued)

International Fund – Mutual fund which invests in international stocks.

Small Cap Fund – Mutual fund which invests in common stock of small-capitalization companies.

Participants may change their investment options daily.

Participant Loans

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. Loan transactions are treated as a transfer from (to) the investment fund to (from) the loan fund. Loan terms are up to 15 years for the purchase of a primary residence and up to five years for all other loans. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates at the date of the loan. Principal and interest are paid ratably through monthly payroll deductions.

Payment of Benefits

Upon termination of service, death, disability, attainment of age 59 1/2, or under certain other circumstances with the approval of the Plan's Administrative Committee, a participant may receive a lump-sum amount equal to the vested value of his or her account, or elect to receive annual installments over a period that does not exceed the life expectancy of the participant and his or her beneficiary.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

2. Summary of Accounting Policies

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. The investments are valued at quoted market prices and fair value, as determined by the trustee for other securities. The participant loans receivable are valued at cost which approximates fair value. Realized gains and losses on investments are calculated on the average cost method.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the dividend date.

Administrative Expenses

Costs and expenses incurred in connection with the operation of the Plan are paid by the plan sponsor.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

3. Investments

The Plan's assets held for investment purposes, including cash and cash equivalents, are held by a bank-administered trust fund. Assets that represent 5% or more of the Plan's net assets are presented in the following table.

	<u>Fair Value</u>
December 31, 2001	
Federated Auto Cash Management Trust Fund #75	\$11,470,792
Federated Max Cap Fund #281	16,949,248
Federated Capital Appreciation Fund #674	4,527,732
Community First Bankshares, Inc. common stock	31,975,187
December 31, 2000	
Federated Auto Cash Management Trust Fund #75	\$10,619,606
Federated Max Cap Fund #281	17,503,287
Federated International Equity Fund #345	3,695,323
Community First Bankshares, Inc. common stock	20,507,461

During 2001 and 2000, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	<u>Year Ended December 31</u>	
	<u>2001</u>	<u>2000</u>
Mutual funds	\$(4,381,261)	\$(6,686,192)
CFB common stock	9,353,086	3,657,414
	<u>\$4,971,825</u>	<u>\$(3,028,778)</u>

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

4. Transactions With Parties in Interest

During the years ended December 31, 2001 and 2000, the Plan's Community First Bankshares, Inc. Stock Fund had the following transactions related to Community First Bankshares, Inc. common stock:

	Community First Bankshares	
	2001	2000
Number of common shares purchased	83,198	260,776
Cost of common shares purchased	\$1,804,940	\$4,002,149
Number of common shares sold	277,936	256,875
Market value of common shares sold	\$6,181,482	\$3,708,268
Cost of common shares sold	\$3,954,459	\$4,176,487
Dividends received	\$ 845,771	\$ 702,293
Number of shares received in kind	398,954	35,344

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts. After payment of the applicable expenses, accounts would be revalued and distributed to the participants.

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

Notes to Financial Statements (continued)

6. Income Tax Status

The Plan has not received a determination letter from the Internal Revenue Service stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code). However, the plan administrator believes that the Plan is qualified and, therefore, the related trust is exempt from taxation.

7. Plan Combinations

On December 5, 2000, the Community First Bankshares, Inc. Board of Directors approved a resolution to consolidate two separate qualified retirement plans. The Employee Stock Ownership Plan merged with the 401(k) Retirement Plan and Trust effective January 1, 2001.

During 1999, Valley National Corporation and its subsidiary bank, Valle de Oro Bank, National Association, El Cajon, California, were acquired by Community First National Bank. The assets of the 401(k) plan were transferred into the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust in March 2000.

During 1999, River Bancorp, Inc. and its subsidiary, Northland Security Bank in Ramsey, Minnesota, were merged into Community First National Bank. The assets of the Northland Security Bank Profit Sharing Plan and Trust were transferred into the Community First Bankshares, Inc. 401(k) Retirement Plan and Trust in March 2000.

Schedule

Community First Bankshares, Inc.
401(k) Retirement Plan and Trust

EIN: 46-0391436

Plan #001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2001

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Par, or Maturity Value	Cost	Current Value
Cash equivalents:			
Federated Money Market Trust Fund #92	82 units	\$ 82	\$ 82
Federated Auto Cash Management Trust Fund #75	11,470,792 units	11,470,792	11,470,792
Federated Auto Gov't Cash Res Fund #82	1 unit	1	1
Federated Auto Treas Cash Res Fund #126	1 unit	1	1
		11,470,876	11,470,876
Mutual Funds:			
Federated Total Return Bond Fund #288	342,936 shares	3,530,448	3,600,828
Federated Aggressive Growth Fund #831	221,003 shares	4,281,466	2,612,255
Federated Max Cap Fund #281	716,065 shares	16,552,412	16,949,248
Federated Capital Appreciation Fund #674	188,970 shares	5,048,823	4,527,732
Federated International Equity Fund #345	208,080 shares	4,902,748	3,181,547
Federated Small Cap Strategic A Fund #655	208,906 shares	3,724,427	3,227,601
		38,040,324	34,099,211
Common stock:			
*Community First Bankshares, Inc.	1,244,655 shares	15,732,251	31,975,187
Insurance:			
Great West Life Assurance Company	Policy #4158349	28,824	29,446
Participant loans			
	Interest rates ranging from 6% to 10%	0	1,759,910
		\$65,272,275	\$79,334,630

*Indicates party in interest to the Plan.